

The Politica Conservation Reserve Program

Jim Wiesemeyer

June 8, 2004

Main Topics

- The beginning: Working with Sen. Zorinsky
- Changes: From supply management to environmental/conservation focus
- 2002 Farm Bill: Higher maximum cap;
 USDA report on CRP impact
- What Farmers Say About CRP
- The future: Budget deficit impact; CSP

CRP's Beginning

- 1985
 - Burdensome grain stocks, low prices
 - 1985 Farm Bill
 - Working with former Sen. Ed Zorinsky (D-Neb.)
 - 1986: First year(s) of most farm programs offer attractive terms

Changes

- Bonus to attract corn, sorghum acres, 1987
- Funding moved from annual appropriations to the Commodity Credit Corporation
- Bidding process changes
- 1990 Farm Bill added special programs to complement CRP
 - Watersheds, wetlands
- Glickman moves program to more environmental focus: EBI
- Increased focus on wildlife

2002 Farm Bill

- Maximum CRP acreage cap raised
- Congress mandates USDA report on impact of CRP

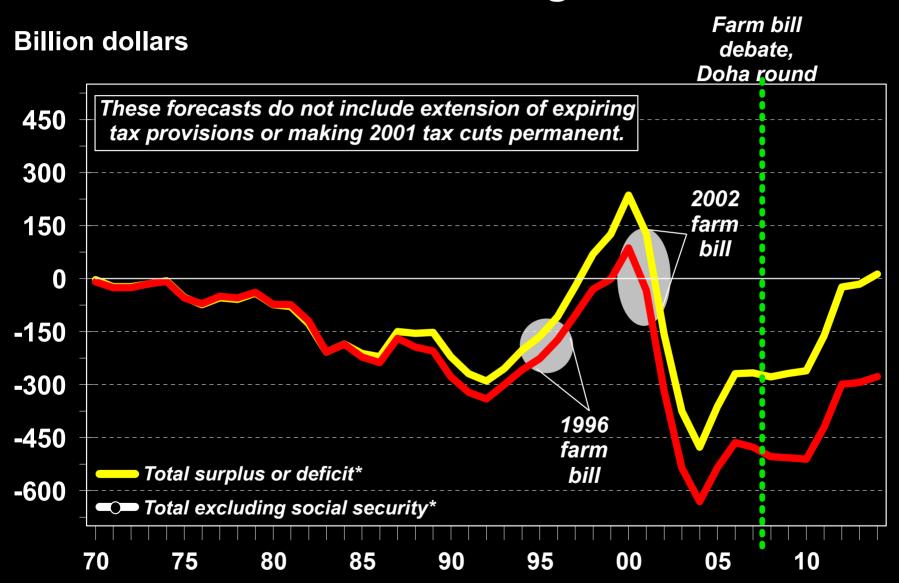
2004

- No spring CRP signup
 - USDA cites high commodity prices, low grain stocks
 - Analysis?

What Farmers Say About CRP

- Check Internet at <u>www.agweb.com</u>
- email <u>editors@profarmer.com</u>
- Email <u>wiesemeyer@earthlink.net</u>

U. S. Federal Budget Outlook



^{*}Total surplus or deficit includes social security trust funds & postal service. On budget estimates exclude trust funds.

Future

- Budget deficit impact
 - Move to reduce CRP maximum acres
 - Nutrition lobbyists teaming with conservation and environment lobbyists
 - Smoke and mirrors with CSP funding
- Need to reinvent CRP
- Impact of CSP on CRP
- Election impact



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